

March 13, 2014 Roundtable: Inspection Simulation Procedures / Considerations

MEETING PURPOSE

On March 13, 2014, the Pipeline and Hazardous Materials Safety Administration (PHMSA) held roundtable discussions with Department of Transportation (DOT) inspection and law enforcement entities and with emergency response representatives who had either expressed interest in participating in, or had previously consulted with PHMSA regarding, the Paperless Hazard Communications Pilot Program (HM-ACCESS). Inspectors, law enforcement staff, and emergency response personnel will have key roles in conducting the simulations and collecting data during the pilot program. The purpose of the discussions was to obtain feedback regarding their operations for coordinating inspection pilot test simulations, as identified in the Federal Register Notices published on July 19, 2013 (78 Fed. Reg. 43263) and November 25, 2013 (78 Fed. Reg. 70399).

PHMSA initiated the meeting by providing a brief status update on the program, followed by an overview of the collection process and role of inspectors and law enforcement personnel under the pilot program. PHMSA provided the following important information regarding the data collection process and role of inspectors during the inspection simulations:

- Simulations will be limited to testing electronic communication (e-communication) of shipping paper information.
- Simulations will be conducted following each agency's/company's/organization's established inspection protocols using its own equipment and resources.
- One inspection simulation questionnaire should be completed for each inspection simulation conducted during the pilot test, preferably within 24 hours of conducting the actual simulation.
- Inspectors will be requested to submit a copy of the electronic hazardous materials shipping paper receipt to PHMSA.

A roundtable discussion of existing operations and procedures for conducting the pilot inspection simulations followed the overview. These discussions (comments and questions and answers) are summarized in this document.

GENERAL QUESTIONS AND COMMENTS

Q: Are these shipments going to be marked so the inspectors in particular states know they're coming? Also, in a two month window, I do not think you will have enough time to gather enough data.

A: All of the inspections will not be random. PHMSA is looking for inspectors and industry participants to be coordinating and scheduling some of these inspections, including some at fixed locations; this coordination will start at the orientation meeting.

ROADWAY INSPECTION SIMULATION PROCEDURES / CONSIDERATIONS

Comment: Many inspections are done at ports of entry, some are done at fixed scale locations where they have all types of capabilities, and others are performed at mobile locations, or roadside inspections. Inspectors use many different systems, and while some have computer capabilities right in their vehicles, a number of potential issues, including lack of Internet connectivity and cellular service in remote locations, policy issues regarding using Internet during work time, etc., exist.

Comment: This e-process is not going to work that well if the inspector is holding his cell phone or a tablet while he is in the vehicle looking at the freight. Also, if inspectors in rural areas do not have Internet access, they will call the dispatcher, who often is not trained in HM, and does not understand what he/she is looking for, thereby potentially slowing the inspection process. These are the kinds of things that the report needs to address.

Comment: There are different levels of roadside inspections. A Level 4 Inspection is a special study initiative, understood by all states, which does not change any of the inspection procedures; rather, it earmarks particular inspections as special studies, and gives the reason for the study. FMCSA would be able to kind of collate that information at the Federal level and see how, as a group, the pilot test carriers are performing during the test. **Response:** PHMSA would appreciate any assistance you could provide to help us coordinate, at the orientation meeting, how to identify those carriers who will participate in the pilot for the particular regions, and how PHMSA would be able to flag them or pre-notify the inspectors that these carriers will be travelling in their jurisdiction on a particular day, and that they are part of the pilot test and therefore subject to a Level 4 Inspection.

Comment: I really see connectivity being PHMSA's biggest issue, and I am not sure you are going to see how widespread an issue connectivity is from a pilot perspective, because you are going to have agencies that are volunteering, and presumably are going to have some connectivity out there. Also, can the pilot test be somehow incorporated into the e-systems that the truckers already have with their electronic log books and GPS? **Response:** We anticipate that some of the pilot test carriers are going to be able to access the data using their existing e-systems. Not everybody has these e-systems, but we will include, and possibly extrapolate, information on these e-systems in the recommendation section of the report.

Comment: A regulatory requirement exists stipulating that, when a trailer is disconnected from a truck, some type of HM paperwork must physically remain with the trailer. The rationale for this requirement may relate to doubles or triples being allowed on the highways but not on local town or city roads. **Response:** PHMSA will make mention of this requirement in the report. One of the recommendations may be that, for such situations, carriers need to maintain use of hardcopy shipping papers.

Comment: PHMSA should really scrutinize the ways shippers and carriers prepare and obtain shipping papers. Less-than-truckload type operations, truckload operations, private carriers, for hire carriers, and tank trucks all operate just a little differently. For instance, less-than-truckload carriers generally get a lot of different shipments, which they consolidate and then cut their own shipping papers that they use during the highway portion. So roadside inspectors see a consolidated shipping paper created by the carrier. Tank truck carriers obtain the shipping papers right from the point of shipment, and many do not enter the shipping paper information into their e-systems until the very end of the run or when the delivery is made, primarily for customer billing purposes. Private carriers often cut their own shipping papers, and other carriers have laminated shipping paper cards, because they carry the same HM every day. PHMSA should ensure it has a variety of pilot test carriers; doing so will provide a better picture of how shipping paper information is prepared, received, and transmitted.

Q: During the roadway inspections, often multiple agencies are present. Which agency will be responsible for completing the online questionnaire?

A: The agency that actually volunteered to participate in the pilot test.

RAIL INSPECTION SIMULATION PROCEDURES / CONSIDERATIONS

Comment: FRA inspectors often require copies of the waybill or shipping paper. The railroads already use an electronic data interchange (EDI) system, so they have e-data available. Oftentimes, on site inspectors will ask for a printout paper copy of the e-data. If the inspectors want to inspect the shipping papers for a particular train or shipper, they will contact the carrier and request that information via e-mail. **Response:** PHMSA wants rail inspectors to follow their normal procedures, but in cases where they would normally ask for a hardcopy, we want them to also see if they can obtain the information electronically.

Comment: A train oftentimes contains mixed loads, with some HM. Each car could be from a different shipper, or certain blocks of cars could be from different shippers, so multiple shipping papers will exist for a mixed freight train. If you have a unit train carrying a single HM shipment containing 100+ cars, typically that would be covered by one shipping paper for the entire train because it is travelling from one shipper to one consignee. **Response:** For the purpose of the pilot test, PHMSA will be limited to including shipping paper information only from those shippers and carriers that volunteered to participate in the pilot test.

Q: Will state inspectors also be included in the pilot test?

A: PHMSA did not receive any state inspector volunteers, so will rely on FRA inspectors for the pilot test inspection simulations.

Q: If an inspector asks for shipping papers for five different rail cars in a train, would he be required to fill out the inspection questionnaire five times?

A: If that inspection occurs at the same time (e.g., at 0500 on Monday, the inspector requests the shipping papers for cars 1, 3, 5, 7, and 9), it constitutes a single inspection simulation, and only one questionnaire should be completed.

Q: Can you share some of the lessons learned regarding intermodal transfers and getting that electronic information into EDI, or sending it from EDI into another format like portable document format (PDF) or tagged image file format (TIFF)?

A: For intermodal shipments, highway carriers often will deliver a hardcopy shipping paper, and in some cases the carrier uses a third party to transmit it in EDI to the rail carrier. So that third party simply transcribes the information into an EDI format, which can lead to transcription errors.

Comment: Residue shipments occur after tank cars are delivered to a facility, whereby the tank cars are emptied and then reverse billed back to the original shipper. Typically, the consignee uses the information already in the system, and simply adds “residue” to the description. One consideration is that sometimes a tank car is not able to be off-loaded, but it will go into the EDI system as a routine reverse bill as a residue, even though it is actually a full load. That is one scenario FRA has encountered, where the person in possession of the load releases the car back to the railroad for return to the shipper. The carrier returns, picks up that car, and documents it as a residue in the EDI system, which is the default unless an alternate description is provided. So carriers have to verify that the reverse route shipping paper is correct; if the paper says “residue” and the tank car contains a load, then that shipper is non-compliant with the PHMSA shipping paper requirements.

Q: What procedures and collection approach would you use to receive an electronic copy of the shipping paper?

A: Rail inspectors will probably ask for the copy of the waybill information for that particular car, which is the required format for shipping papers, to be transmitted to them via e-mail, because they have their Blackberries and can check their e-mail and receive the e-HM information that way.

Q: Do the rail inspectors have a fallback procedures (i.e., for remote areas)?

A: FRA does not have a redundant fallback system.

MARITIME INSPECTION SIMULATION PROCEDURES / CONSIDERATIONS

Comment: A former employee of American President Lines (APL) delivered a presentation on an HM movement from China to the U.S. east coast with 17 HM transfer points requiring shipping paper communications from origin to destination.

Response: She has expressed interest in contributing to the pilot test effort. She is currently a consultant, but was with APL for many years, and would seem to be a very good resource for this project.

AIR INSPECTION SIMULATION PROCEDURES / CONSIDERATIONS

Comment: The shipping paper is used for a few different purposes in the air mode. Before HM is offered for shipment, the air carrier is required to do an acceptance check, looking at the outside of the box, making sure the information on the shipping paper is consistent with the marking, label, and packaging before the HM is accepted by the air carrier for transport. Most air carriers are going to take those shipping papers and compile a Notice to Pilot-in-Command (NOPIC) or a Notification to Captain (NOTOC), which includes shipping paper information along with the HM's position on the aircraft. The shipping paper drives the NOPIC/NOTOC, both of which have no set format. Air carriers are required to retain shipping papers and NOPICs/NOTOCs. Inspectors obtain shipping papers from air carrier stations. **Response:** PHMSA plans to include information in the report about the desire of many HM stakeholders to have a standard format for shipping papers.

Comment: The FAA has approximately 120 Federal inspectors who inspect shippers, repair stations, freight forwarders, and air carriers (most air carrier inspections focus on larger, Part 121 operators). Inspectors use the shipping papers to verify that the NOPIC/NOTOC is correct. FAA also has over 2,000 135 certificate operators, many of whom operate small fleets, are still subject to the HM regulations, but operating under different conditions and environments than FedEx, Delta, or other large network carriers. Most HM can be shipped via air without prior approval.

Comment: When HM is offered and when it is being transported, a shipping paper must be made available (per current PHMSA regulations). Larger, more sophisticated air carriers are likely to have Internet connectivity, while some of the smaller 135 operators may not have real-time connectivity.

Q: If you were a pilot test inspector, what approach would you use to receive the HM information electronically, based on your knowledge of the equipment available to FAA inspectors?

A: It depends on the specific air carrier, and how it keeps the information. FAA inspectors are already in the habit of receiving some training records and NOPICs/NOTOCs electronically, but requesting the shipping paper for an actual package they are inspecting could get difficult; it would be largely driven by the nature of the operation and whether they had unit load devices (ULDs), versus a loose bulk load underneath, versus a main deck freighter operation. It would also depend on how the air carrier maintains the information and what e-information the carrier could provide to the inspectors. Many air carrier inspections are performed on the ramp, at shipper facilities, and at repair stations where HM is handled, offered, and accepted.